

A smiling woman with long brown hair, wearing a tan blazer over a white shirt and black pants, stands next to a brown bicycle. She is holding a silver laptop in her left hand and has her right hand on the handlebars. The background shows a modern building with large glass windows and green trees. The scene is brightly lit, suggesting a sunny day.

**DIEHL**  
Metering

# EMPOWER A SUSTAINABLE FUTURE

Sustainability report **2023**

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## MEASUREMENTS AND METRICS





**WHAT DIFFERENTIATES US IS OUR OWN 7 PRIORITY PROGRAMS. THEY CHALLENGE US AND ACT AS OUR COMPASS FOR SUSTAINABLE AND ETHICAL GROWTH.**

## EDITORIAL

# ASSUMING RESPONSIBILITY BEYOND THE REGULATIONS

Over the last few years, the effects of climate change have become increasingly tangible and visible, and the consequences have often been disastrous. It has never been more urgent for us to take care of our planet and take responsibility for our actions.

While governments and international organizations are pushing to accelerate the transition to sustainability, we must all play our part. Each of us can help make a difference.

At Diehl Metering, we take our responsibility very seriously. Sustainability has always been central to our business, which is founded on empowering customers to manage natural resources more efficiently. Today, we have set our sights on becoming an example of sustainability worldwide by carefully measuring, monitoring and strengthening our actions. Our ambition is to be recognized by Ecovadis (independent organization) as one of the top 5% sustainable companies in our sector.

A long time before regulations were imposed on companies, we made sustainability part of how we operate. It is integrated into our strategy, shaping our daily business, our relations, and our activities. For us, the concept of sustainability reaches far and wide, covering everything from ethical behavior and social wellbeing to waste reduction, reduction of logistic routes and growth in respect of the environment. Like many responsible companies, we have signed the UN's Global Compact and we align with its principles.

What differentiates us is our own 7 Priority Programs. Developed to ensure we continually examine our achievements, the programs are designed to challenge us and act as our compass for sustainability. They guide us to deliver

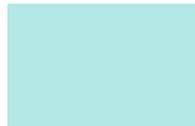
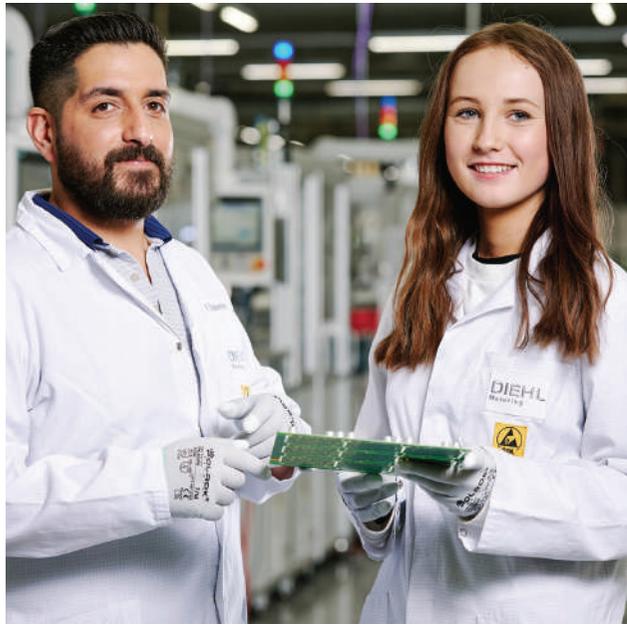
sustainable and ethical growth alongside our business partners and for our customers. They are also a source of inspiration for us to innovate more sustainably. The recent launch of our eco-designed ALTAIR V5 water meter, which uses lighter, bio-based materials, is a prime example.

As we progress toward our goal of carbon neutrality by 2045\*, we are particularly focused on measuring greenhouse gas (GHG) emissions. For the second time, we collected GHG data to measure the impact of our actions, and we registered scope 1 and 2 reductions of 10% between 2021 and 2022.

Regulations and customer expectations around sustainability will continue to intensify – and we also plan to strengthen our own internal standards. That's why we have created a new functional area at Diehl Metering, Sustainability & IMS. This department exists to grow our expertise and further integrate sustainability into our daily business. It will be crucial as we pursue our long-term strategy to not only behave more sustainably ourselves, but to enable that same behavior in other people, from our employees to our customers and the communities they serve.

Yours,  
Dr. Christof Bosbach,  
CEO Diehl Metering

\* Scope 1 & 2



## COMPANY PRESENTATION A GROUP-WIDE COMMITMENT TO SUSTAINABILITY

Diehl Metering is part of the Diehl Group, sharing its values and benefiting from the synergies between its different companies and activities.

The Diehl Group operates 5 divisions, with over 17,665 employees worldwide and achieved a turnover of 3,883 million euros in 2023. The group's commitment to sustainability is shaped by its origins as a family-owned business. Ever since it was created as a small foundry in 1902, Diehl has focused on caring for generations of employees, customers, and suppliers, while continual growth means it has always had an eye on the future. Today, the group remains strongly connected to local communities, actively contributing to social improvement. Furthermore, its commitment spans its broad portfolio, ranging from complex metal alloys to sophisticated components systems and services.

All divisions of the group, including Diehl Metering, have a common commitment to sustainability and share many of the same objectives.





**SUSTAINABILITY  
AND ETHICS ARE**

## COMPANY PRESENTATION **ABOUT DIEHL METERING**

We are a worldwide leading company in the design, manufacture and supply of smart metering solutions as well as the associated software and services. Our mission is to empower utilities, municipalities and industries to take control of their infrastructures – enabling them to manage water and energy distribution and consumption more efficiently, more sustainably and more responsibly.

With roots and headquarters in Germany, we act as a global product, solution, and service provider. At the same time, our more than 1,900 employees are proud to maintain our founding principles of quality, reliability and customer proximity grown over 160 years.

Our approach is to think global and act local, creating enduring value for our customers by adapting and developing our strategy with them and for them. In supporting their long-term growth, we help to shape a better future for our customers and the communities they serve. And by enabling them to make ever better use of water and energy, we contribute to preserving the planet's natural resources and improving sustainability for future generations.

## **OUR ROOTS**

# COMPANY PRESENTATION OUR HERITAGE

From a tradition fitting and metering producer to an important part of the global Diehl Group.



## BEGINNINGS

- 1862** The NEPTUN foundry is founded in Wrocław, Poland, providing fittings for water and gas installations.
- 1912** NEPTUN becomes HYDROMETER Breslauer Wassermesserfabrik. Even today, industry experts still consider this name a guarantee of quality.
- 1951** The company headquarters move from Wrocław to Ansbach, Germany.



Learn more about our heritage

## DRIVEN BY INNOVATION

- 1996** Our IZAR radio technology is launched.
- 1998** The French company Sappel and Polish subsidiary Mirometr are incorporated into the HYDROMETER Group.
- 2001** The Austrian company ELIN Wasserwerkstechnik joins the HYDROMETER Group. From a tradition fitting and metering producer to an important part of the global Diehl Group.
- 2003** Integration of the HYDROMETER Group into the Diehl Group.
- 2008** All business units become Diehl Metering.

## WORKING FOR A SUSTAINABLE FUTURE

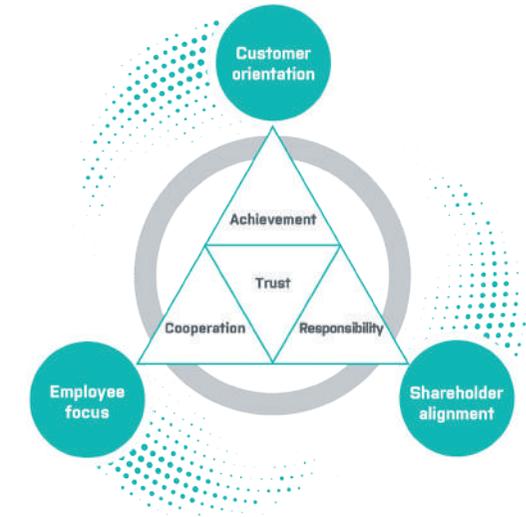
- 2012** Diehl Metering Germany celebrates its 150<sup>th</sup> anniversary.
- 2019** Our HYDRUS 2.0 ultrasonic meter is launched.
- 2020** Diehl Metering achieves IMS multi-site certification, as well as MID and ISO 9001 and 14001 certification.
- 2021** Adherence to the UN Global Compact.
- 2023** Diehl Metering is awarded the Bronze medal by Ecovadis for its first company-wide global evaluation.

### A BETTER FUTURE FOR ALL

## COMPANY PRESENTATION

# WHAT DRIVES US

At Diehl Metering, everything we do is motivated by people. That's why our corporate culture has three focuses: our customers, our employees and our shareholders. They are the starting point for how we act and how we envisage the future.



**Detailed presentation  
of our Guiding Principles**

on page 31

## OUR VISION

**Empower and innovate for a sustainable future**

With global trends impacting our planet, we are convinced that it is now ever more urgent to find new and responsible ways to use our natural resources. We believe in a world where resources are managed optimally, everywhere. Through advanced technologies and solutions, we empower our customers and the communities they serve to contribute to a more sustainable tomorrow.

## OUR MISSION

**Focused on customers, employees, and sustainability**

We have a strong mission built on the pillars of customer satisfaction, people development, and sustainable growth.

In short,

- Customer satisfaction comes first – serve customers over the long term and create added value.
- Our people drive us – promote skills and common culture.
- Responsibility is our duty – we contribute towards saving our planet's resources; at the same time we make an important contribution to the future development of the Diehl Group.

In all these ways, we bring our company claim to life: Empower a sustainable future.

## OUR GUIDING PRINCIPLES

**Customers, employees and shareholders are our three anchors.**

Customers, employees and shareholders are our three anchors. For all these different groups, we use a common approach based on the shared values of cooperation, trust, responsibility and achievement. These guiding principles help us to provide customers with enduring value for their business and the environment. They support us to give our teams opportunities to innovate and make a real difference to people everywhere. And they steer us to provide communities with the means to manage water and energy more economically and more responsibly.



# COMPANY PRESENTATION ORGANIZATIONAL CHART

Our company is structured to ensure we always make the best-informed decisions and maximize the impact of our actions on the ground. While sustainability is a company-wide priority, it is guided by our Sustainability & IMS department, which acts as a guarantor of quality and compliance across the enterprise.

## ORGANIZATION DIEHL METERING

## SUSTAINABILITY ORGANIZATION DIEHL



Divisional Board	CEO Speaker / Strategy / Personal development	COO Production / Development / Quality	CSO Marketing / Sales	CFO Commercial management																				
Strategic Business Unit (SBU)	Metering & Connectivity		Analytics & Services																					
Top Corporate Functions	<table border="1"> <tr> <td>Corp. Innovation Management</td> <td>People Management</td> </tr> <tr> <td>Strategy</td> <td>Main sites</td> </tr> <tr> <td colspan="2">Sustainability &amp; Integrated management system</td> </tr> </table>	Corp. Innovation Management	People Management	Strategy	Main sites	Sustainability & Integrated management system		<table border="1"> <tr> <td>Development</td> <td>Global Operations &amp; Supply chain management</td> </tr> <tr> <td>Quality Management</td> <td>Operations Strategy &amp; Engineering</td> </tr> </table>	Development	Global Operations & Supply chain management	Quality Management	Operations Strategy & Engineering	<table border="1"> <tr> <td>Business development &amp; Partners</td> <td>Sales Regions*</td> </tr> <tr> <td>Marketing &amp; Communication</td> <td>Sales Operations</td> </tr> </table> <p>SR1*: North America SR2*: Western Europe, Middle and South America SR3*: Central, Eastern and Northern Europe, Caucasus and Central Asia SR4*: China, Southeast Asia, Australia SR5*: Middle East, Africa, Turkey</p>	Business development & Partners	Sales Regions*	Marketing & Communication	Sales Operations	<table border="1"> <tr> <td>Group Support</td> <td>IT Management</td> </tr> <tr> <td>Strategic Purchasing</td> <td>Finance &amp; Controlling</td> </tr> <tr> <td colspan="2">In-house consulting</td> </tr> </table>	Group Support	IT Management	Strategic Purchasing	Finance & Controlling	In-house consulting	
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# COMPANY PRESENTATION DIEHL METERING AT A GLANCE



**1,910**  
EMPLOYEES  
WORLDWIDE



**435**  
MILLION €  
ANNUAL  
TURNOVER



**15**  
LOCATIONS  
WORLDWIDE



OVER  
**160 YEARS**  
COMBINED  
EXPERIENCE IN  
OUR DNA



OVER  
**25 YEARS**  
OF EXPERTISE  
in radio and ultrasonic  
technologies



**55/100**  
64<sup>th</sup> percentile

**DIEHL METERING  
GROUP**  
Bronze Medal  
(1<sup>st</sup> assessment)

OVER  
**7.1 MILLION**  
METERS/YEAR

**1<sup>ST</sup>**  
ULTRASONIC  
WATER METER  
ON THE MARKET

**13.3**  
MILLION  
ULTRASONIC  
METERS

**34.1**  
MILLION  
POSITIVE  
DISPLACEMENT  
METERS

**62.9**  
MILLION RADIO  
MODULES

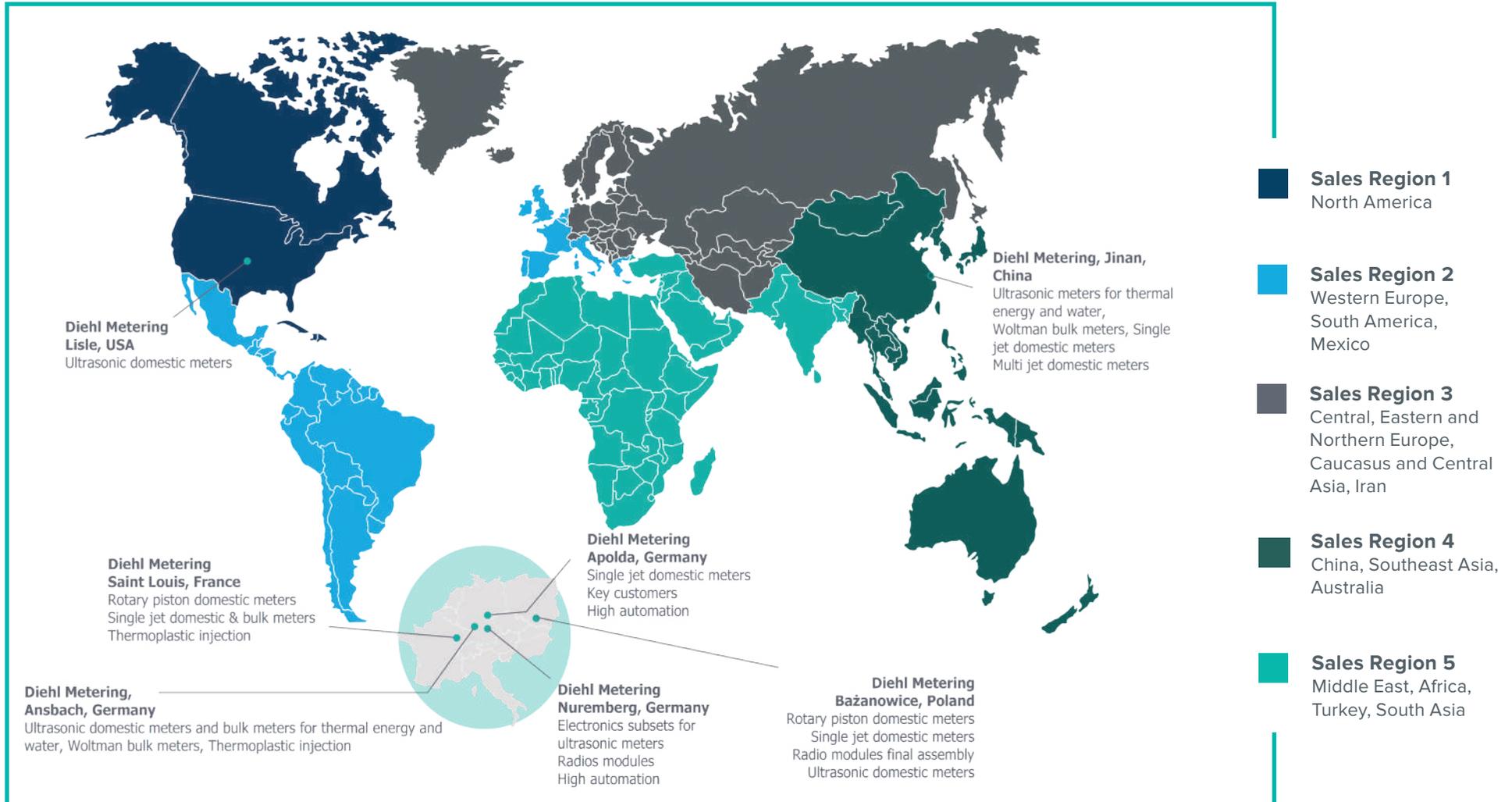




# COMPANY PRESENTATION

## A LOCAL PRESENCE AROUND THE WORLD

With 5 sales regions and 7 production areas worldwide, we aim to be where our customers are. We believe customer proximity is not only essential for building relations and understanding local needs; it is also crucial in terms of sustainability. By having a local presence, we reduce our carbon footprint by limiting transport while enabling economic development in the areas where we operate.

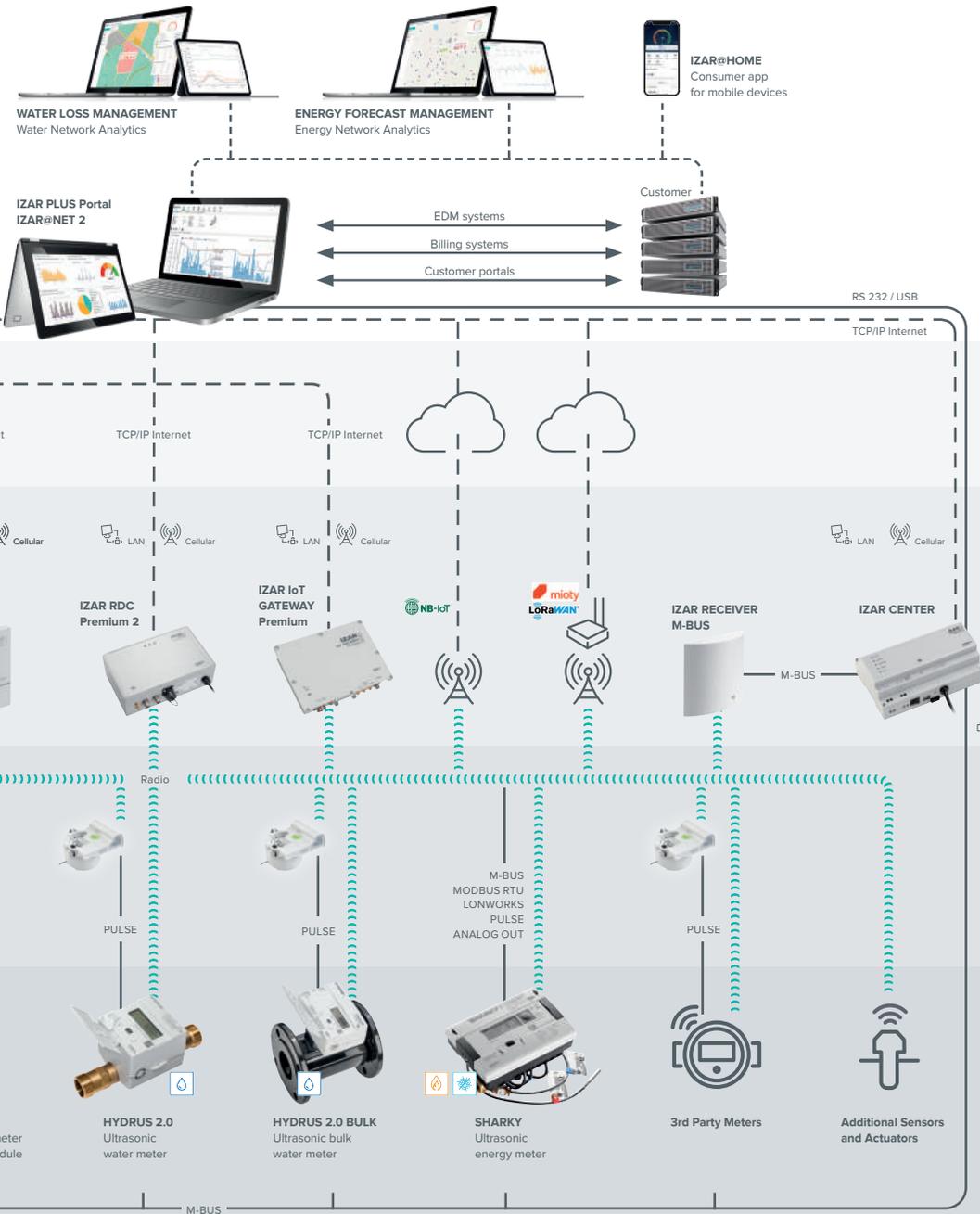


# PRODUCTS, SOLUTIONS AND SERVICES

## THE IZAR SYSTEM



LoRaWAN® is a mark used under license from the LoRa Alliance®



# PRODUCTS, SOLUTIONS AND SERVICES TAKING DATA FURTHER WITH ANALYTICS & SERVICES

Diehl Metering develops intelligent solutions and services to promote a smarter use of water and energy. Our portfolio of products includes high-precision water and thermal energy meters, sensors and other connected devices. All these products are capable of collecting a wealth of data about distribution networks, which is then transmitted by our IZAR radio system and interpreted by our IZAR Meter Data Management (MDM) software.

Through these solutions, we enable our customers to capitalize on the opportunities of IoT and the digital world. The data-driven insights they gain are crucial, allowing them to increase the efficiency of their water and energy networks, reduce waste and save precious resources. This, in turn, contributes to the sustainability of their organization, while also benefiting end consumers and the local environment.

## Focus

Actionable data is crucial to sustainable business. That's why Diehl Metering recently created a new strategic business unit (SBU): Analytics & Services.

The new SBU works closely with the Metering & Connectivity SBU to advance the digital transformation of our industry. In collaboration with our customers, Analytics & Services is developing a portfolio including digital software, automation services, digital SaaS products, AI, and more. It also provides consultancy services directly to our customers.

The SBU's aim is to use the power of data to drive even greater efficiency and sustainability for our customers, helping them to reduce water loss, improve heating distribution, and identify areas to improve water quality.

## OUR PRINCIPLES TO TURN DATA INTO VALUE

### SUSTAINABILITY AT THE CORE

- **Save precious resources** by identifying, quantifying and prioritizing water leaks or energy waste.
- Reduce time to detection and **avoid potential damages** to infrastructure and people.



### FOR EVERYONE

- Immediate value through our **focus on usability** with minimum onboarding requirements.
- Get started **regardless of utility digital maturity** or user skill level.
- **Agnostic system** that can work with mixed networks and other meter brands.



### EMPOWER TO FOCUS

- Receive clear recommendations to prioritize your capacity.
- Become empowered to **be in control** of your water network.
- We enable you to **focus on the important things**.





## GOVERNANCE

# ENSURING QUALITY AND COMPLIANCE WITH OUR IMS

We prioritize excellence through an integrated management system designed to streamline our operations. By embracing a process approach, we aim to ensure performance at every level.

## OUR IMS POLICY

We, as Diehl Metering leaders, are engaged in ensuring performance in quality, environmental protection, health, safety and security. We're committed to implementing, sustaining and improving the effectiveness of our IMS (Integrated Management System) on an ongoing basis.

To our interested parties, we guarantee products and services that meet their expectations. It's all based on applying standards and regulatory texts.

We also strive for excellence in legal metrology through the ISO 17025 accreditation of our calibration and testing laboratory. And to demonstrate our sustainability commitment, we are part of the UN Global Compact as a signatory member.

**The road to excellence never ends. We strongly rely on your commitment, your passion and your persistence in...**

## SHAPING THE WAY WE USE RESOURCES.



Dr. C. Bosbach

A. Geuther

R. Edel

J-C. Luttringer



### IMS & Certificates

To read more about our IMS and discover our certifications, visit the dedicated page on our website: [Our Integrated Management System \(IMS\)](#)



## OUR INTEGRATED MANAGEMENT SYSTEM (IMS)

We make our vision and mission tangible by complying with worldwide standards in the fields of metrology, quality, health, safety, security, information security, environmental protection and prevention of pollution.

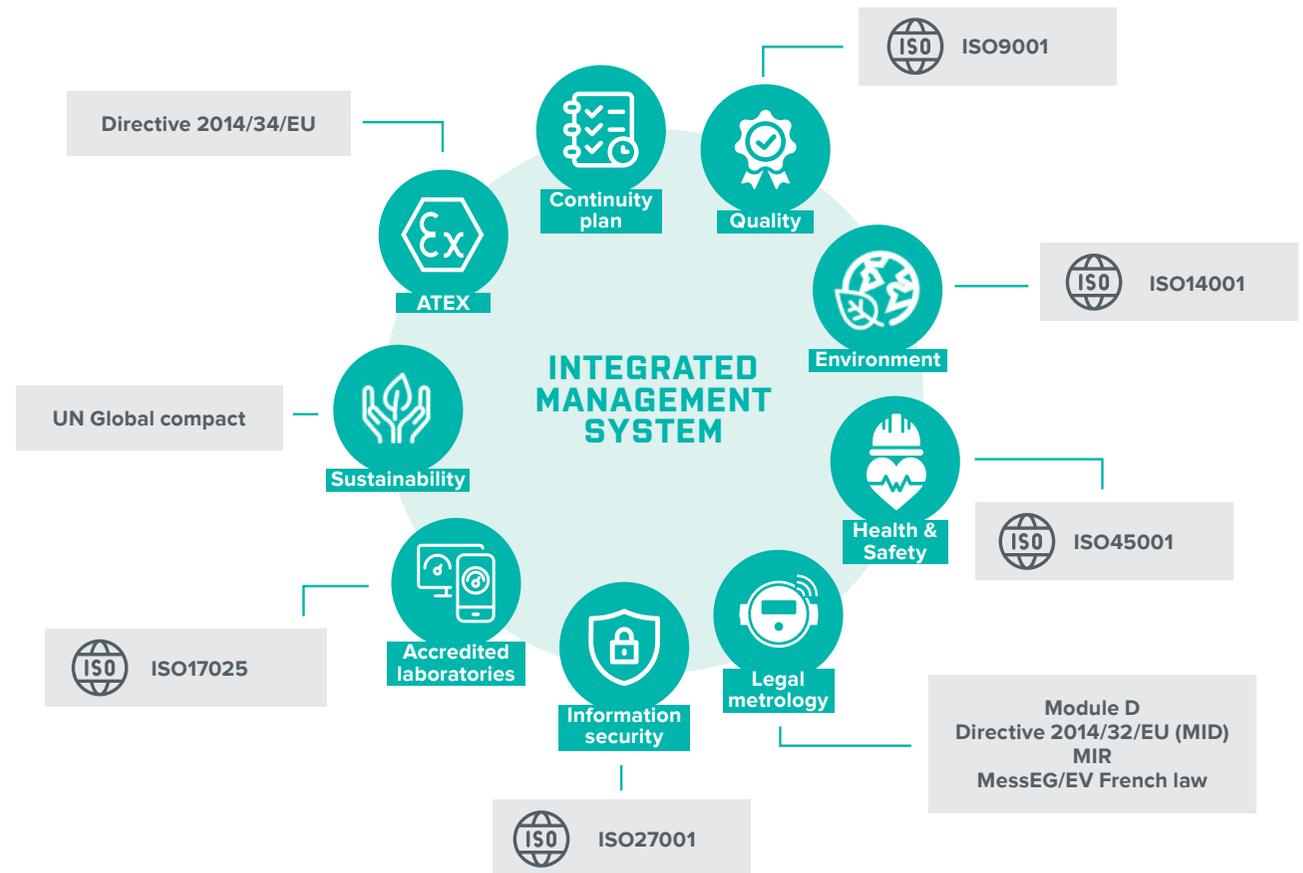
The scope of our certified IMS according to ISO 9001 & ISO 14001 requirements is: design, manufacturing, sales and service of smart solutions for water, thermal energy, gas metering, data transmission and data management systems and software.

The scope of our legal metrology certification is water, EU regulation thermal energy meters for heating and national regulation for cooling meters. Focusing on the European Directive 2014/32/EU (MID), MIR, MessEG/EV and French law about installation of heat meters, the chapter 8.3 from ISO 9001 v.2015 “Design and development of products and services” is excluded.

**Above all, Division Board and process owners ensure that all staff:**

- Apply the provisions of the sustainability report and associated documentation;
- Respect best professional practices to maintain the quality of their work;
- Ensure the conformity to type of manufactured and installed products (legal metrology, ATEX, drinking water regulation...);
- Prohibit any modification of a regulatory or metrological nature;
- Ensure integrity and loyalty in all activities (impartiality, rejection of bribery, free competition, transparency in relationships, and protection of intellectual property);
- Reduce environmental impacts from products and activities;
- Increase health & safety by improving work conditions;

## RELEVANT REQUIREMENTS



- Ensure that our lobbying activities do not undermine progress toward sustainability goals.

We strive for excellence in legal metrology through the ISO 17025 accreditation of our calibration laboratory and testing laboratory.

**We also support the 17 sustainable development goals from the United Nations and follow the 10 principles of the UN Global Compact in our daily business.**



## GOVERNANCE

# LEGAL METROLOGY: OUR CORE BUSINESS

Many countries around the world impose legal requirements on measurement devices if they are used for commercial transactions. In the EU, for example, the amended Measuring Instruments Directive 2014/32/EU, known as MID, requires manufacturers to carry out a specific instrument compliance evaluation. All meters distributed by Diehl Metering conform with this directive, as well as with other applicable national, European and international standards.

This legal metrology is designed to promote fairness and traceability and to reduce the potential for fraud or unethical behavior. It also ensures that organizations can rely on accurate and consistent measurements over time so they can monitor their progress in terms of efficiency and sustainability. Legal metrology is therefore a valuable tool for strengthening sustainable practices.

### A LEADER IN METROLOGICAL TESTING

As a producer and supplier of meters and other measuring devices, Diehl Metering is subject to national, European and international standards of legal metrology. We take pride in not only complying with these standards, but in being a reference for precision, traceability and reliability in our sector.

Our metrology team operates test laboratories in several locations around the world. We cover all common test technologies, including calibration, acceptance and inspection tests. Furthermore, our testbench construction department develops and manufactures its own test facilities.

### A NETWORK OF METROLOGY EXPERTS

As a recognized leader in metrology, we regularly collaborate with external laboratories to ensure consistent and high levels of quality in our industry. As well as carrying out our own internal calibrations, we work with trusted experts for external calibrations. We undertake inter-laboratory loop comparisons between our own laboratories and external establishments. And we partner with key metrology players to further develop the sector.

### QUALITY ASSURANCE AT EVERY STEP OF THE PRODUCT LIFECYCLE



## ENVIRONMENT

# ACTING FOR THE PLANET



The overexploitation of the Earth's natural resources is a major contributor to some of society's most pressing challenges, including climate change. Those natural resources include the water and energy that we all rely on in our daily lives. That's why, at Diehl Metering, we see it as our duty to empower everyone to make better use of those resources through the services and solutions we provide.

Supporting utilities to make their networks more efficient and save resources is at the core of our business. But at the same time, we know we must take responsibility for our own impact on the environment. We are actively leading initiatives to reduce our carbon footprint, including decreasing CO<sub>2</sub> emissions, investing in energy-efficient machinery, using less plastic and packaging, and reducing water consumption in our factories.

We also participate in initiatives to promote ecological diversity, waste reduction, and reuse and recycling.

### PROMOTING BIODIVERSITY WITH BEE4PLANET

Bees are crucial to the environment. Through pollination, they support plants to grow and thrive. Plants, in turn, provide food and shelter for animals. Today, bee mortality is increasing at a disturbing rate. In Western Europe, the number of honeybee colonies decreased by over 36% between 1990 and 2020, from 3.5 million to 2.2 million. If this trend continues, Western Europe will have no honeybee colonies left in about 50 years.

To help address this crisis, Diehl Metering supports Bee4Planet, an organization that sustainably increases bee populations in the region of Munich (Germany). The partnership allows us to contribute to preserving biodiversity, securing the food supply, protecting the environment, and ensuring that future generations can rely on insect pollination of plants.



For more information about the project, visit [www.weihungsbienle.de](http://www.weihungsbienle.de) (in German only)



# ENVIRONMENT

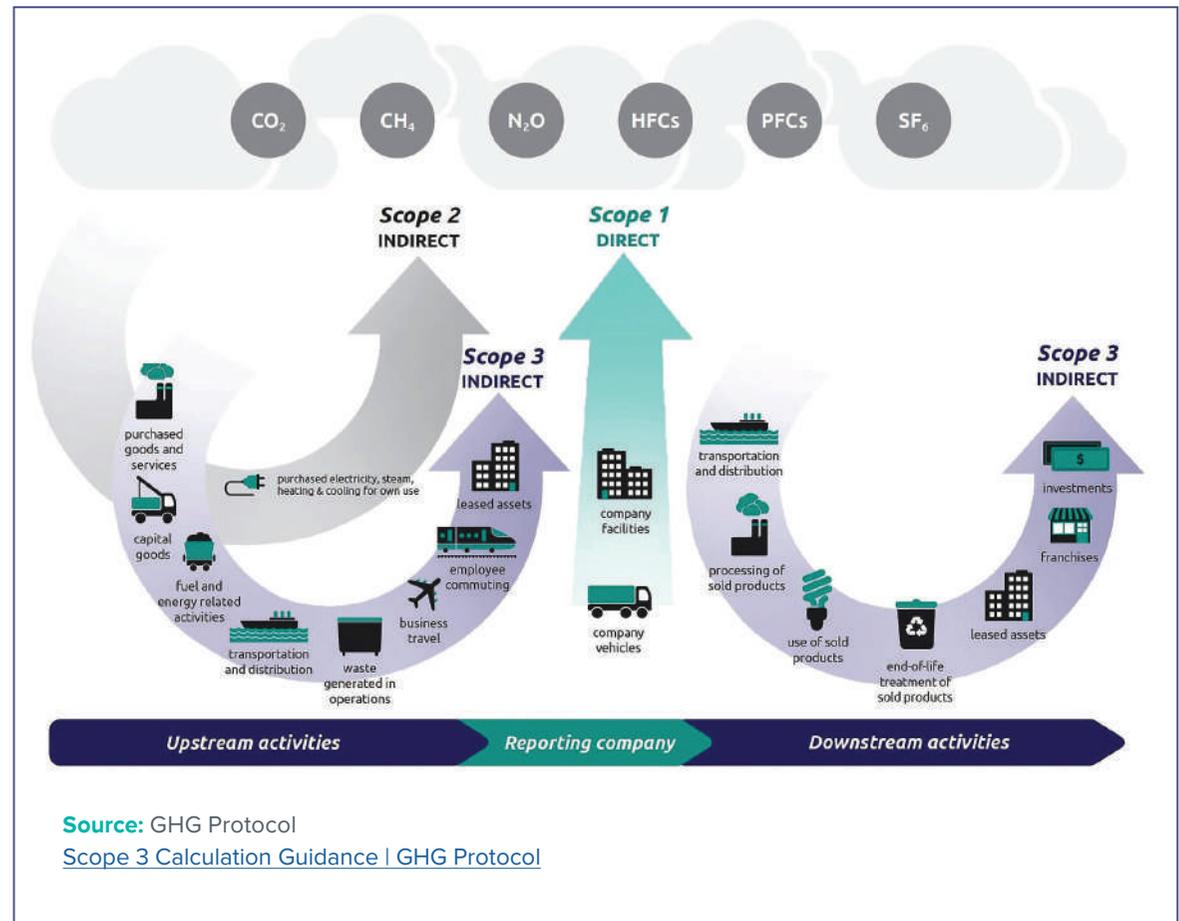
## MONITORING GREENHOUSE GASES

It is well-established that human emissions of carbon dioxide and other Greenhouse gases are the main drivers of climate change. The global increase in temperatures is responsible for rising sea levels, unpredictable weather patterns and an increase in natural catastrophes such as flooding and droughts. That's why Diehl Metering is actively working to reduce its impact.

For the second year running, our company has assessed its GHG emissions across our 7 production sites and 1 logistic center worldwide, distinguishing between 3 different types of emissions:

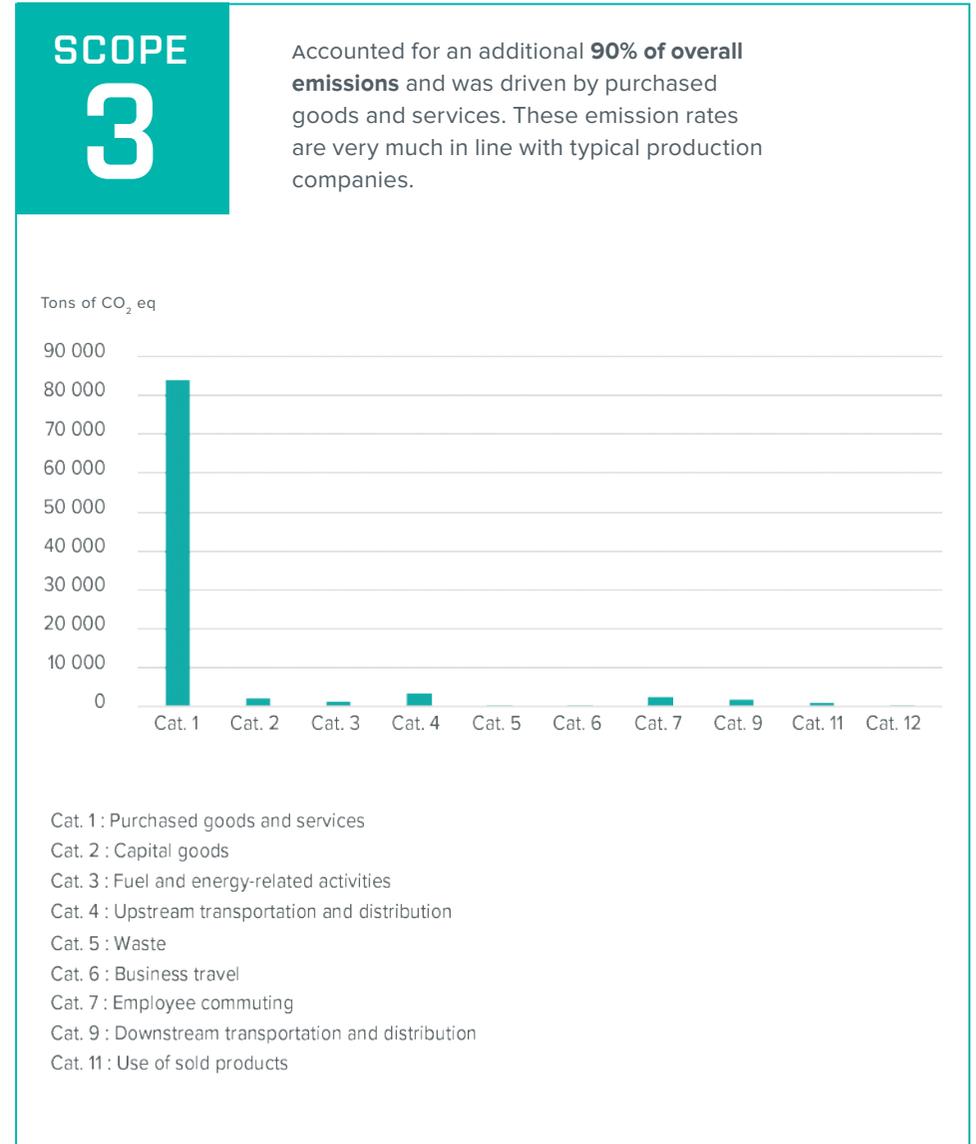
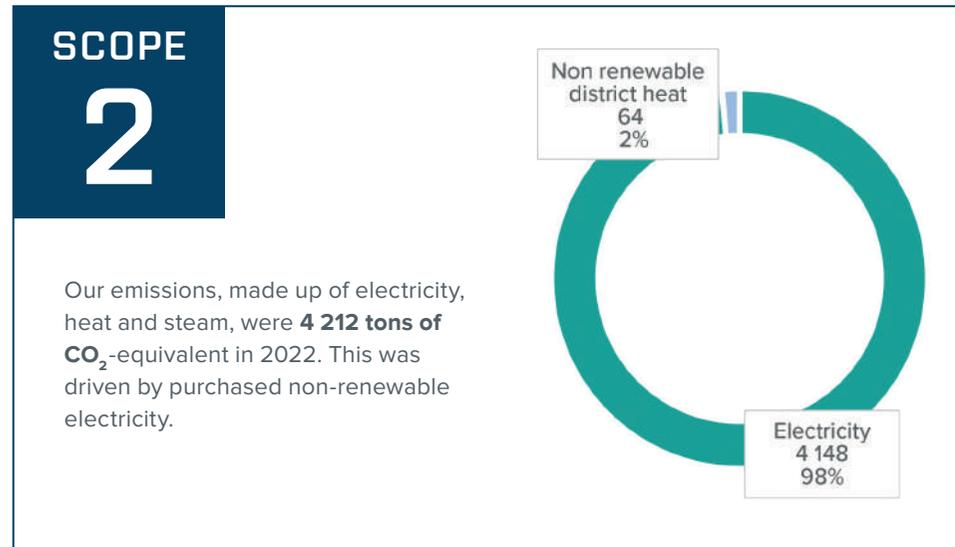
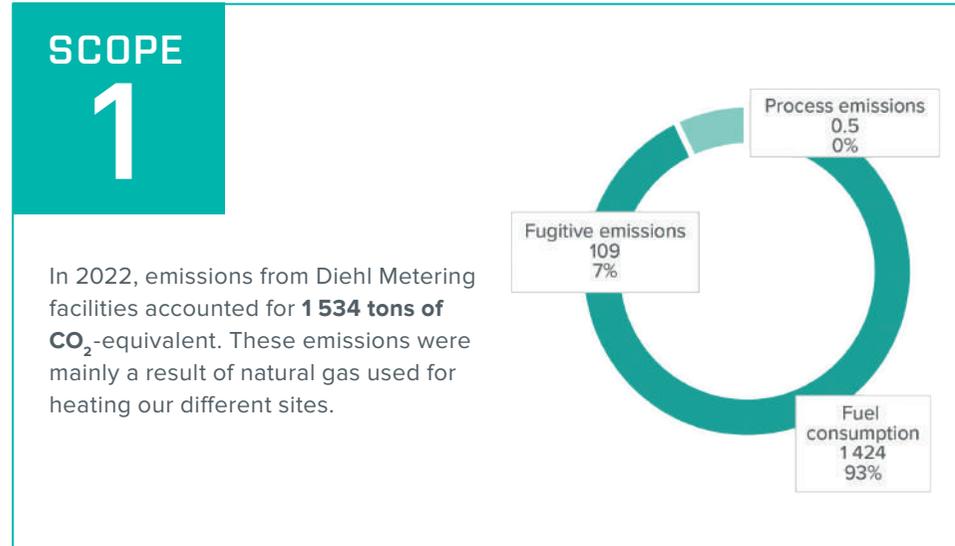
- **Scope 1:** Direct emissions as a result of our own business activity.
- **Scope 2:** Indirect emissions as a result of purchased energy, heat or steam.
- **Scope 3:** All other emissions occurring upstream or downstream in the company's value chain.

To evaluate our emissions, we applied the methodology of the Greenhouse Gas Protocol, regarded as the authoritative international standard for calculating Greenhouse gas emissions, and issued by the World Resources Institute and World Business Council for Sustainable Development. Many of the specifications and principles are shared with other international standards, such as ISO 14067.





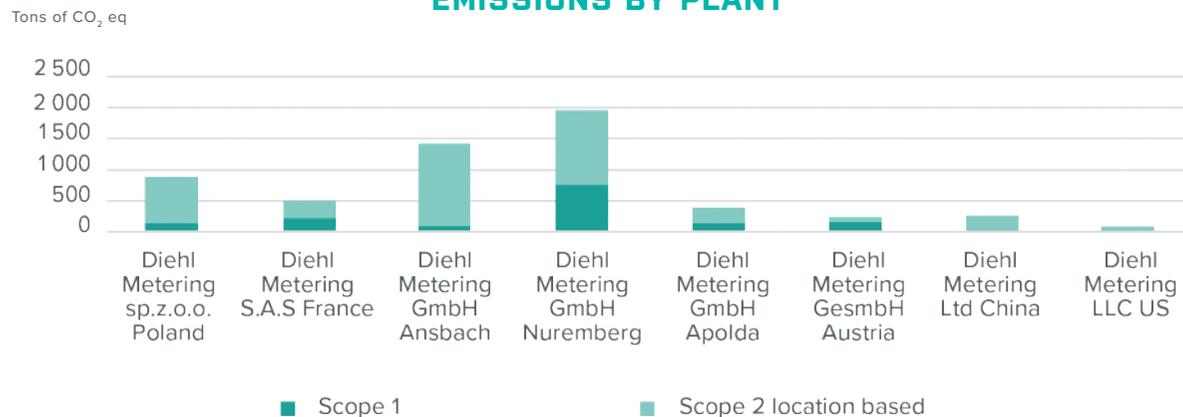
## OUR ACHIEVEMENTS IN 2022



### EMISSIONS CONSOLIDATED



### EMISSIONS BY PLANT



The results show a **10% decrease in scope 1 and 2 between 2021 and 2022** – which is aligned with our target. Scope 3 figures have **decreased by 65% year-on-year**, although this is partly because of a change in the way electronic component data is measured.

Our action plans to reduce our Greenhouse gas emissions are managed primarily through our **Priority Programs on supplier management, ecodesign, and management of resources with the associated dedicated teams.**



**ASSESSING GREENHOUSE GAS EMISSIONS IS THE BEGINNING OF THE PATHWAY TO REDUCING THEM, AND THIS IS WHY DIEHL METERING HAS SET MEDIUM- AND LONG-TERM OBJECTIVES, WITH EACH SITE DEFINING ITS OWN TRANSITION PLAN. OUR TARGET, BASED ON 2021, IS TO DECREASE EMISSIONS BY ABOUT 40% BY 2030 AND ACHIEVE CARBON NEUTRALITY IN 2045\*.**

*Dr. Christof Bosbach, CEO*



\* Scope 1 and 2



## SOCIAL HUMAN RIGHTS AND LABOR

Human dignity is an indispensable part of Diehl Metering's business and operations. We believe strongly in respecting and protecting people everywhere: our employees, our customers, our supply chain, and society as a whole.

### Employee support

We know that our people are our most valuable assets – which is why we listen to them carefully. We have an open-door policy, encouraging employees to freely discuss any issues with their managers. At many sites, our Employee Representatives maintain a constant dialog with team members. We ensure working conditions comply with national labor codes, and we also organize regular feedback sessions with employees as a chance to openly discuss how they are performing, where their strengths lie, what they expect from the company, and what future skills they should focus on.

On a wider scale, we conduct bi-annual surveys to learn what the global Diehl Metering community thinks and where they see room for improvement. In our last biannual survey in 2022, 72% of employees participated, and the statement “I know sustainability is an important strategic goal in Diehl Metering” was given an average approval rating of 4.2/5.

We have also established our own human rights organization at Diehl Metering with dedicated human rights officers at every site, and a well-defined remediation

process for complaints that is accessible to all employees. For cases of discrimination or harassment, there are dedicated contact persons at every site.

### Health and wellbeing

We care for the most precious asset our employees have: their health. From personal protective equipment to safe workstations, we ensure best-possible protection at work.

Our canteens increasingly focus on offering healthy and affordable meals, with free drinking water. We regularly support employees to take on sports initiatives – often combined with raising funds for people in need.

At many sites, we have established key initiatives to ensure optimal working conditions for employees with families. Some examples include providing discrete office areas for breastfeeding, company nurseries for children aged ten weeks to three years, and summer vacation programs for those up to 14 years old.





## SHARING OUR WORKPLACE ON FAMILY DAY

At Diehl Metering, many of our sites organize a Family Day – a chance for team members to share their professional lives with their families, and for everyone to get to know each other in a relaxed environment. In 2023, our sites in Germany, France and Poland invited employees to bring their partners and children to the workplace for a day of family fun and discovery. Highlights included a tour of our production areas, a preview of future innovations, plus a children’s play area and gifts made from recycled materials.



## SOCIAL

# DIVERSITY, EQUITY AND INCLUSION

At Diehl Metering, we believe diversity enriches us as a company. That's why we are actively working to strengthen employee diversity in terms of gender, background, ethnicity, age and nationality.

Across our company, we have around 40 different nationalities represented in our workforce. At certain sites, we have made significant progress in promoting women to leadership positions, and we continue to act to reach full equality. We have set diversity and promoting women in their careers as one of our strategic goals.

### Gender equity

Throughout our global sites, the proportion of female employees remained stable at 42% in 2023. The percentage of women holding management positions increased from 19% to 21% in the same period. We encourage female employees to take on these roles and professions, and to become who they want to be, expressing the full potential of their talent. By offering a flexible working structure, we enable team members to balance their professional lives with personal responsibilities, including parenthood. As a family enterprise, it is important for us to adapt to the need of families and to support women during maternity.

We have a strict policy of equal pay for equal jobs, and we apply national standards in terms of professional equality. When recruiting new talent, the only criterion is who best fits the job – irrespective of their age, gender or nationality. We provide all team members with the same chances in our development and training programs.

### Disabilities

Disabilities are not always visible: a disabled worker may suffer from a visual, auditory, mental or physical disability, or from a disabling disease. A disability can also be temporary, permanent or appear suddenly. Integrating disabled employees means making adjustments (see graphic). But it's not just about resources; it's above all about changing the way people look at disability by focusing on skills. All our employees are made aware that successful integration is everyone's business! Today, 3.4% of our employees have disabilities.



### Enabling adjustments to help integrate disabled employees



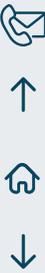
- **Human support**  
(employee awareness)



- **Specific equipment**  
(ergonomic chair and desk etc.)

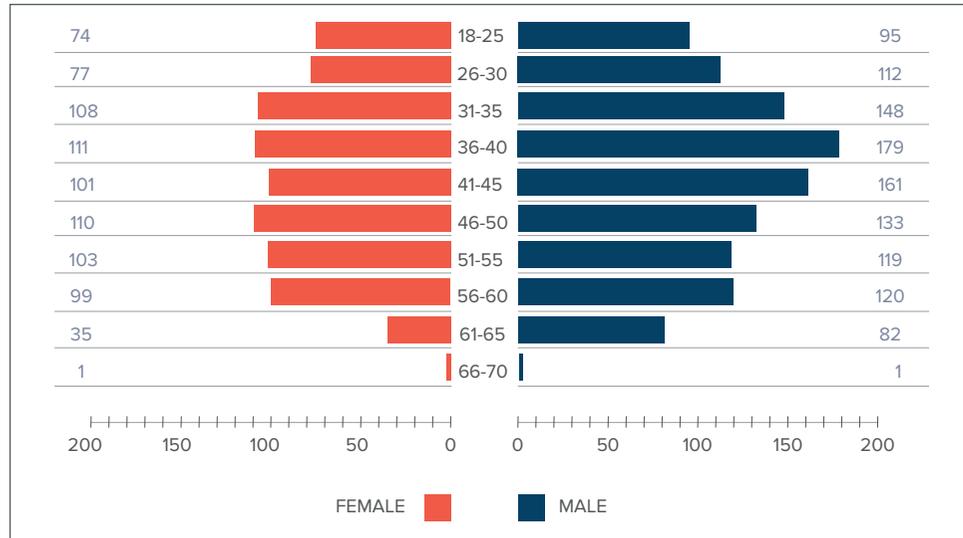


- **Adapted work organization**  
(flexible hours, teleworking)



## Age diversity

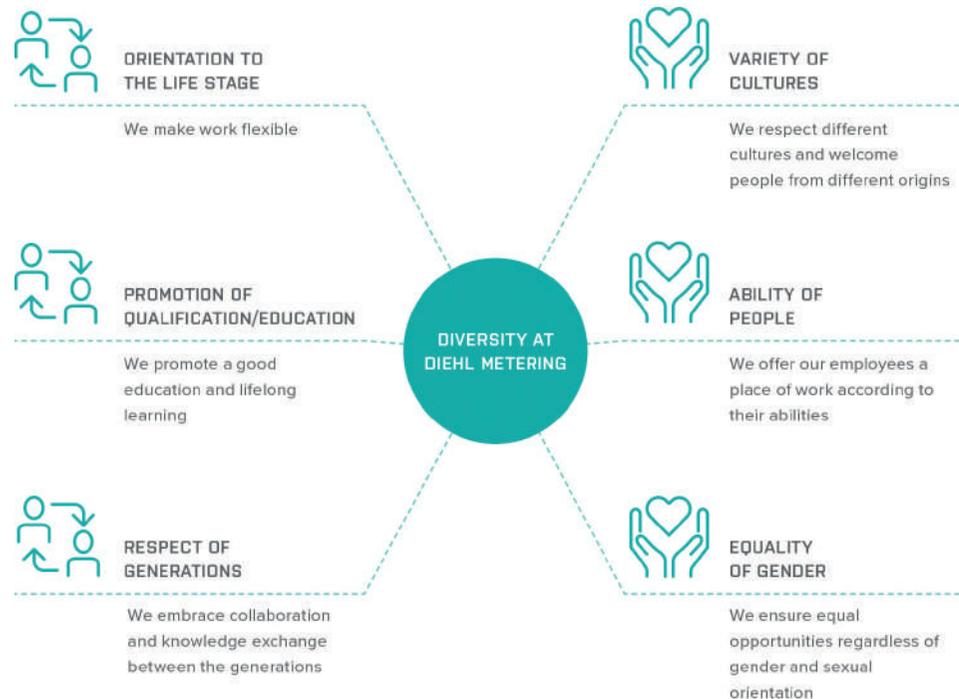
We believe that a spread of different age groups is a valuable asset for our company and for the experience of all employees. Different generations can learn from each other, and a mix of ages helps bring different perspectives and ideas to the company. We currently have a healthy spread of ages across the company, with younger people regularly recruited to balance those leaving the company at the end of their careers.



Age pyramid 2023: Share of male (blue) and female (red) employees according to age groups

## Respecting everyone's individual rights:

At Diehl Metering, we're committed to a strong diversity approach.



“

**WHEN I BECAME A MOTHER 28 YEARS AGO, I WAS GIVEN A LOT OF FLEXIBILITY WITH HOW AND WHEN I WORKED. LOOKING BACK, I WAS OFTEN THE ONLY WOMAN AT TECHNICAL TRAINING SESSIONS AND CONVENTIONS, BUT I NEVER FELT I WAS BEING JUDGED BECAUSE OF MY GENDER.**

”

*Sigrid Heubeck, Head of Enterprise Resource Planning*

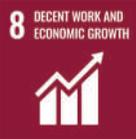
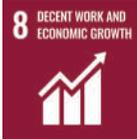




# PRIORITY PROGRAMS

## OUR SUSTAINABLE LANDSCAPE THROUGH THE PRIORITY PROGRAMS

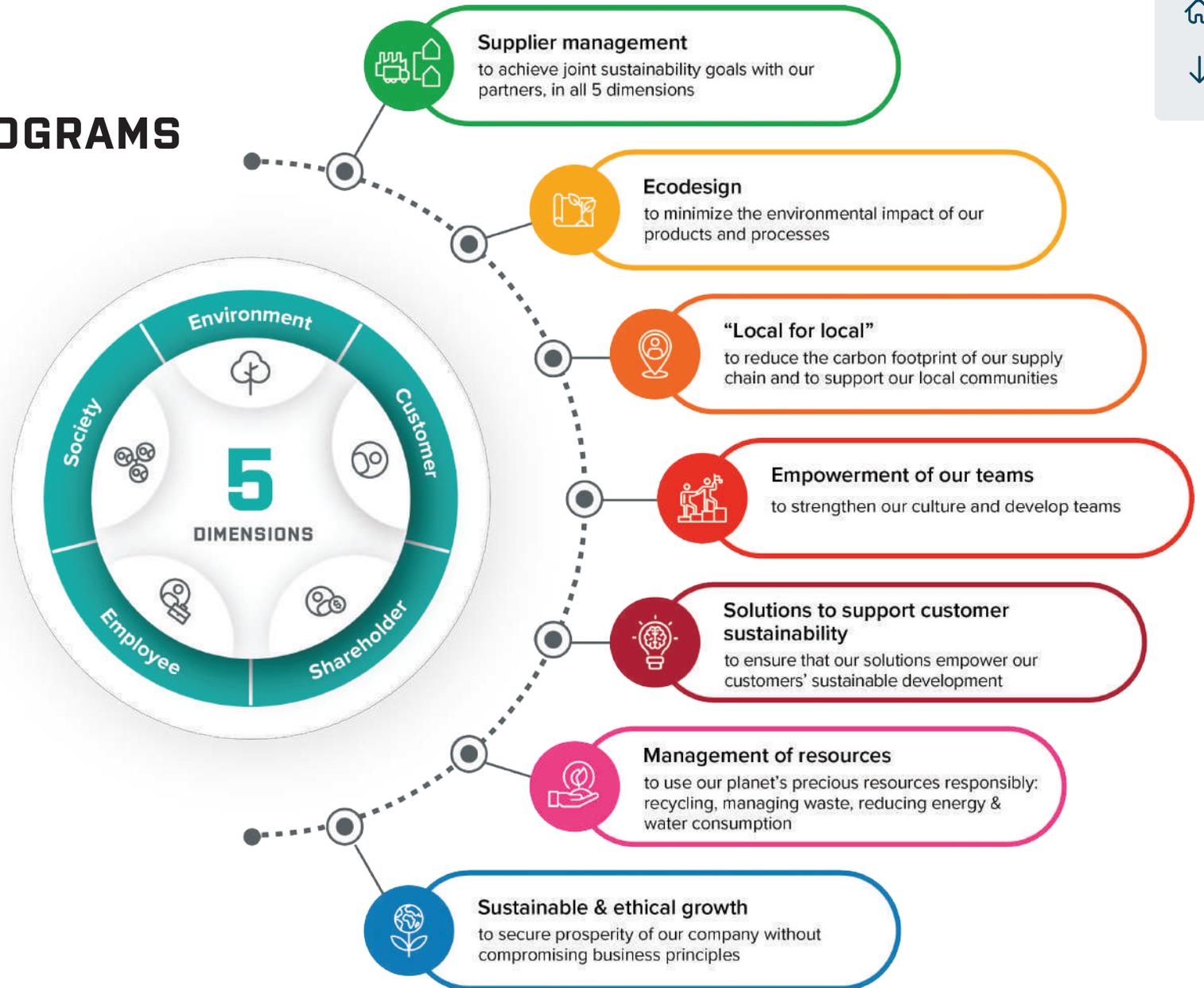
Our 7 Priority Programs cover a wide range of ESG (Environment, Social and Governance) criteria while also incorporating all the UN Sustainable Development Goals (SDGs) that are relevant to our business.

<h3>E - Environment</h3> <p>An organization's impact on nature, including land, air, water and ecosystems</p>	<h3>S - Social</h3> <p>Employee and community issues, plus the company's external social engagement</p>	<h3>G - Governance</h3> <p>Strategy, ethics and integrity, corporate governance and stakeholder dialog</p>
<h4>OUR PRIORITY PROGRAM COVERAGE</h4>		
<ul style="list-style-type: none"> <li>• Management of resources                             <ul style="list-style-type: none"> <li>• Local for local</li> </ul> </li> <li>• Supplier management                             <ul style="list-style-type: none"> <li>• Ecodesign</li> </ul> </li> <li>• Solutions to support customer sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Empowerment of our teams                             <ul style="list-style-type: none"> <li>• Local for local</li> </ul> </li> <li>• Sustainable and ethical growth                             <ul style="list-style-type: none"> <li>• Supplier management</li> </ul> </li> <li>• Solutions to support customer sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Management of resources                             <ul style="list-style-type: none"> <li>• Local for local</li> </ul> </li> <li>• Supplier management                             <ul style="list-style-type: none"> <li>• Ecodesign</li> </ul> </li> <li>• Solutions to support customer sustainability                             <ul style="list-style-type: none"> <li>• Sustainable and ethical growth</li> <li>• Empowerment of our teams</li> </ul> </li> </ul>
<h4>OUR FOCUS TARGETS</h4>		
<p>Reduce greenhouse gases</p>	<p>Improve equality &amp; diversity. Work in safe and fair environment</p>	<p>Achieve yearly growth through fair business</p>
<h4>RELEVANT SDGs</h4>		
<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="width: 30%; text-align: center;">  <p>6 CLEAN WATER AND SANITATION</p> </div> <div style="width: 30%; text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="width: 30%; text-align: center;">  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div> <div style="width: 30%; text-align: center;">  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div> <div style="width: 30%; text-align: center;">  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div> <div style="width: 30%; text-align: center;">  <p>13 CLIMATE ACTION</p> </div> </div>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="width: 30%; text-align: center;">  <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <div style="width: 30%; text-align: center;">  <p>4 QUALITY EDUCATION</p> </div> <div style="width: 30%; text-align: center;">  <p>5 GENDER EQUALITY</p> </div> <div style="width: 30%; text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="width: 30%; text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> <div style="width: 30%; text-align: center;">  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> </div> </div>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="width: 30%; text-align: center;">  <p>6 CLEAN WATER AND SANITATION</p> </div> <div style="width: 30%; text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="width: 30%; text-align: center;">  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> </div> <div style="width: 30%; text-align: center;">  <p>17 PARTNERSHIPS FOR THE GOALS</p> </div> </div>

# 7 PRIORITY PROGRAMS

We have designed our 7 Priority Programs to cover a wide range of ESG (Environment, Social and Governance) criteria while also incorporating all the UN Sustainable Development Goals (SDGs) that are relevant to our business.

In this way, our 7 Priority Programs are our comprehensive approach to tackling sustainability in all its forms.



## UN Global Compact

Since 2021, Diehl Metering has been a signatory of UN Global Compact, the United Nations’ voluntary initiative for companies to contribute to a sustainable world. [Consult our UN Global Compact page.](#)

## PRIORITY PROGRAM

# SUPPLIER MANAGEMENT

For many years, our strategic purchasing structure has focused on continuously developing long-term partnerships with our suppliers. These relations are mutually beneficial to ensure sustainable competitiveness.

### STRATEGY & GOALS

#### 5 criteria for identifying suppliers

Sustainable supplier management begins with clear principles for the selection of suitable partners. This process not only enables a sustainable and efficient development of our activities; it also ensures compliance with recent legislation such as the EU Due Diligence Law, which requires companies to secure their supply chain.

At Diehl Metering, we have defined five unbiased criteria to guide our choices and evaluations in selecting suppliers for cooperation and purchasing projects. We look for:

- A secure supply that meets quality standards, agreed delivery times and contractual quantities
- The potential for long-term supplier relationships and partnerships that are mutually beneficial to ensure sustainable competitiveness
- Innovative ideas and the potential for financial and technological optimization
- Support for local economies and regional development as part of our social responsibility
- The use of clear communication, reflected in unbiased and honest behavior, in compliance with fair commercial practices.

#### Sustainability awareness assessment

Once we have selected a supplier, we begin building a strategic partnership to help them develop. We support them with auditing, and help them achieve the required level of awareness and practices in terms of sustainability. To evaluate this awareness, we collaborate with the independent ratings organization Ecovadis. The assessment they perform focuses on four categories: environment, social, ethics and sustainable procurement.

Our suppliers also have to answer a questionnaire based on their individual supplier risk rating (size of the company, country, and activity). The results of this evaluation highlight opportunity areas to develop their sustainability. In the near future, we are planning to integrate the performance results of our suppliers into our sourcing process and partnership plans.



#### Supplier code of conduct

We ask all our suppliers to sign the Diehl Code of Conduct for Suppliers, which formalizes the expectations the Diehl Group puts on its Business Partners in terms of ethics, human rights and environmental law. The Code of Conduct for Suppliers establishes the basic principles of doing business with companies of the Diehl Group and regulates them in a binding manner. It is a crucial part of our commitment to do business with integrity.

### ACHIEVEMENTS & ACTIONS

#### Toward a sustainable value chain

Currently, more than half our strategic suppliers have already been rated by Ecovadis. One of them is Diehl Metall, our “sister” corporate division and strategic supplier. By supporting our strategic suppliers to undergo successful auditing, we enable them to improve their sustainability awareness and practices. **Today about 40% of our strategic suppliers are rated Bronze, Silver or Gold by Ecovadis. We want to help them all achieve at least Silver level by 2025.**





## PRIORITY PROGRAM SUPPLIER MANAGEMENT

01 02 03 04 05 06

01

### Fulfill due diligence obligations

A majority of our strategic suppliers have already signed the Supplier Code of Conduct and have agreed to comply with Due Diligence obligations.

02

### Evaluate suppliers

Assess 100% of our supplier base through Ecovadis to identify critical suppliers with regards to the Supply Chain Act (SCA).

03

### Reduce carbon content

Support Development for ecodesign and carbon content analysis in order to reduce carbon footprint and ensure related CBAM reporting (Carbon Border Adjustment Mechanism).

04

### Develop suppliers

Work with and develop strategic suppliers to enable them to achieve an Ecovadis Silver rating by 2025.

05

### Contribute to greenhouse gas reduction

Generate measures to reduce annual greenhouse gas emissions for scope 3.1.

06

### Maintain evaluation

Be recognized by Ecovadis as one of the top 5% sustainable companies in our sector.

## PRIORITY PROGRAM ECODESIGN

As early as 2006, our company started to conduct life cycle assessments (LCAs) to better know the environmental impacts of its products and get to know how to ecodesign future products generations. Over the years Diehl Metering improved the quality and the quantity of LCAs conducted and improved also its ecodesign approach. Today, our “Ecodesign” Priority Program focuses on developing products with a proven lower environmental impact.

### STRATEGY & GOALS

We define the environmental impact of a product using categories that include climate change, air pollution, water pollution, resource depletion, etc. By adopting a lifecycle approach to ecodesign, we aim to cover the product’s impact at every moment of its existence.

From one product generation to the next, our development teams work with a list of indicators that they assess and categorize as “Improvement”, “No evolution”, or “Worsening”. These indicators cover all lifecycle stages and different environmental impact categories. Our aim is to integrate as many green lights in new products as is technically and economically feasible.

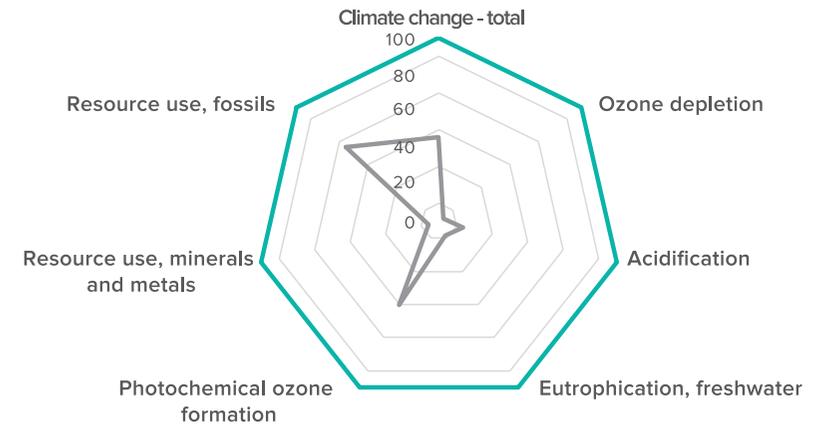
### ACHIEVEMENTS & ACTIONS

When designing a product, we combine the use of LCAs and internal ecodesign tools to anticipate the environmental impact from cradle (raw material extraction and processing) to grave (material recycling or final disposal).

We used this method to ecodesign our ALTAIR V5 volumetric water meter. During development, our teams focused on reducing the weight of the components, decreasing the electricity needed to produce them and using bio-based materials when possible. Thanks to these actions, a comparative study of LCAs between the previous generation (ALTAIR V4) and the new one demonstrated a reduction of the environmental impact in every category. For example, in the concentric composite body version of the meter, the impact of climate change has been reduced by 54% (see graphic).

Circular economy principles are also a core part of Diehl Metering’s strategy. In 2023 two plastic parts made out of 100% recycled materials were released and a solution to improve the recyclability of clip-on radios is being rolled out (see images).

Comparison of ALTAIR V4 and V5 water meters concentric composite body



This comparison is based on the results of lifecycle assessments realized internally and conducted according to the NF EN ISO 14044:2006 standard. A cradle-to-grave approach was used for these studies.





Use of secondary plastics



Hydraulic cover for SHARKY 775 made 100% from secondary plastics



Long-range fixed network radio with 100% recycled cover

CIRCULAR



ECONOMY

Improvement of radio's recyclability



Diehl Metering has invested in improving the recyclability of its clip-on radio modules for water metering. Thanks to the solution, which is currently being rolled out, the electronics and battery will no longer be potted, making them easier to access and recycle.

## PRIORITY PROGRAM

# LOCAL FOR LOCAL

Many of our products are complex. They are made up of components that often require specific expertise only available in certain locations around the world. To reduce our transportation footprint and safeguard the quality of our products, we've developed a local network and ecosystem to make sure we are always close to the customer, ensuring fast and flexible response times. That's what our Priority Program "Local for local" is all about.

### STRATEGY & GOALS

Our target is to ensure a high percentage of local supply at every step and for every part, across both production and sales.

To achieve this, we are developing a pragmatic approach for the next 5 years of:

- **What can be localized** (plastic parts, electronics, bodies, cardboard, etc.)
- **What cannot be localized** (know-how, technical parts, etc.)
- What it **doesn't make sense to** localize (screws, etc.)
- Which parts could be **discontinued** (instead of localizing).



### ACHIEVEMENTS & ACTIONS

"Local for local" is part of our global footprint strategy to meet market demand. The program is designed to help us purchase components, manufacture products, and sell them as close to the customer as possible.

In so doing, the program supports local communities while minimizing the carbon footprint of our supply chain. In addition, it further decreases carbon emissions by reducing the numbers of trucks on the road and containers on the sea.

One of the biggest initial goals of the program has been to implement the local assembly of our HYDRUS 2 meters by creating a new factory in Lisle, USA, while also developing a local supply for the components. The project has been a major undertaking, demanding considerable time and resources – but the benefits in terms of sustainability are significant. We are now seeing the first promising results, including:

- A reduction in cardboard (transitioning from single packaging to multi packaging), resulting in a 12% reduction in shipping space.
- A collaboration with a local company close to our factory to supply thermoplastic molds for HYDRUS, as well as the plastic granulates for injection.
- A four-fold expansion of the factory in just 2 years.



### Strengthening local competences

Our license model is based on building up local partners for local markets. In Morocco, Tunisia, Brazil, and Saudi Arabia, we support our partners by providing the technology and the parts, and sharing our knowhow in production and assembly. For many partners, our licenses can become the core of their networks for production and procurement, helping to grow employment and knowhow, especially in emerging countries.

We are currently developing subcontractors and a partnership ecosystem to increase local purchasing of standard components.

**"Local for local" is not just about promoting local suppliers; it's also about prioritizing the local sourcing of raw materials. We are working hard in this area, and are currently on track to have most of our brass and plastic raw materials locally sourced.**



# PRIORITY PROGRAM EMPOWERMENT OF OUR TEAMS

**Diehl Metering's long-term strategy is to create sustainable growth. With this Priority Program, we support our employees to make this reality by ensuring they know where to go and have everything they need to get there.**

Empowerment of our teams is about strengthening our culture and developing employees as individuals, across all sites. It incorporates many aspects of our Guiding Principles, which were created to harmonize our culture after successive reorganizations. The aim is to create a common language that brings all our employees together.

## STRATEGY & GOALS

At Diehl Metering, employee empowerment is based on strengthening our culture and developing our teams. Through a strategy of transparency, we make team members aware of the various decision-making phases so they can contribute more to the company and advance their own careers.

We develop training concepts for all managers. We encourage teams to be entrepreneurial within the scope of Diehl Metering's strategy and goals. And we help them understand market and customer needs and transform them into deliverable solutions.

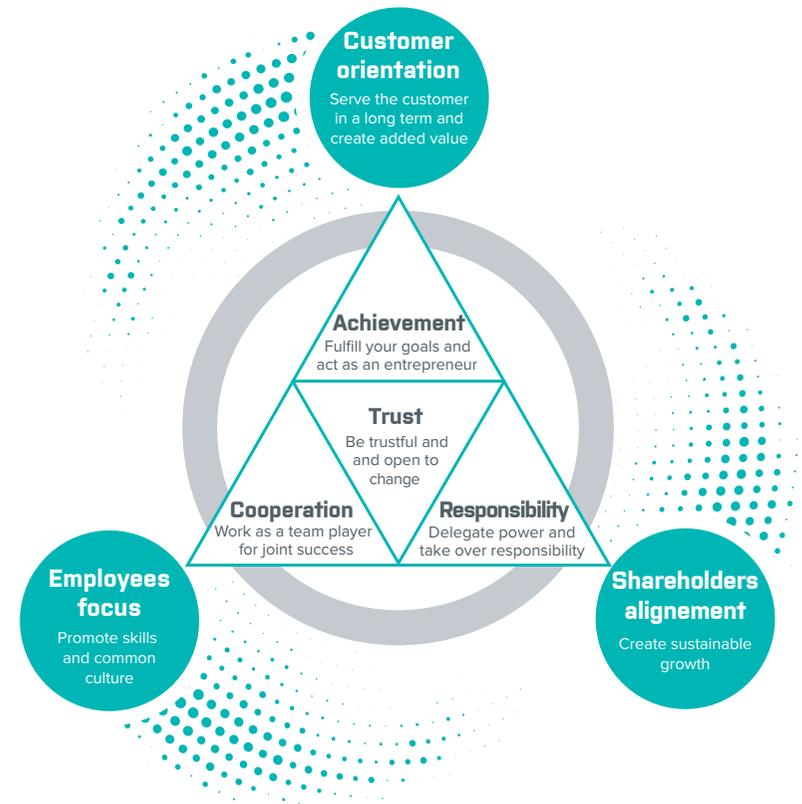
Ultimately, we want our people to feel safe and empowered so they can work to their full potential.



## Life-long learning

Throughout their time at Diehl Metering, employees have continual opportunities to learn and develop. Our learning platform Diehl Learning World is as a hub for all employees to explore a wide range of training courses in multiple languages. In addition to task-specific courses, the platform offers over 3,600 freely-accessible ebooks, podcasts and virtual classrooms covering all possible areas of interest, including those beyond the professional world.

Our Colleague Campus empowerment for colleagues to train colleagues. In 2023, the Colleague Campus offered an average of 2 trainings per week. All employees are invited to become a trainer, providing insights into their domain of expertise.





## ACHIEVEMENTS & ACTIONS

### Focusing on people skills

Successful customer orientation is all about long-term partnerships – and that requires strong people skills, know-how and confidence. At Diehl Metering, we continually develop our employees' skills, entrust them with responsibilities, and equip them with the knowledge and tools they need. Managers communicate transparently when delegating tasks, and they also consult with their teams before making decisions, provide honest feedback, and recognize good work to encourage individuals in what they do and how they do it.

### Fostering leaders

At Diehl Metering, promoting talent is not limited to managers; it's deployed on a large scale. In training sessions, employees learn to fulfil their goals by acting as entrepreneurs within their area of responsibility.

We are convinced that a wide range of employees can develop management skills. We consider their wishes for change and mobility, and actively promote their development beyond the Metering subgroup.

### Step-by-step development

Life isn't always the same. People's needs and focus change over time, and we try to adjust to their evolving situations and ambitions.

The starting point for the individual development of each employee is the annual division-wide Employee Development Dialogue. During a one-to-one session, employees and their line managers agree on individual development goals and measures for further development. This ranges from maintaining performance in the current role to targeted preparation for more advanced roles.

Since 2023, employees have been able to take part in our internal Global Mentoring Program. This involves managers working as mentors in a close and confidential relationship with individual mentees on personalized development topics.

### Building our culture

One of Diehl Metering's major initiatives in 2023 was to strengthen its culture by conducting a corporate-wide culture program.

Workshops were held at every site to get insights from a broad range of managers, employees and works councils. The objective was to create a corporate culture map as a foundation for anchoring our core values. This will allow us to strengthen our culture to better support the company's vision and strategy.

The key to this initiative was to involve everyone through a high level of employee participation. We want to make sure our people truly identify with our culture so we can strengthen long-term employee wellbeing, attractiveness, retention and motivation.

**Our culture project has many values in common with our Guiding Principles. We are now implementing actions resulting from the workshops in close collaboration with key groups of employees.**



## PRIORITY PROGRAM SOLUTIONS TO SUPPORT CUSTOMER SUSTAINABILITY

At Diehl Metering, we work hard to reduce waste. Our solutions help customers make better use of precious resources. And we design them to enable safe, economically-viable, and climate-friendly ways of supplying water and energy to more people. That's what our Priority Program "Solutions to support customer sustainability" is all about.



### STRATEGY & GOALS

We create solutions that help our customers and their end customers to be more sustainable. Our strategy focuses on developing fixed and passive drive-by networks that improve logistical efficiency and generate high-resolution data and real-time alarms. This allows customers to react more quickly to inefficiencies in their network. We also actively promote better end-consumer behavior, providing them with tools and the awareness to use water and energy more efficiently. Our ultimate aim is to help everyone save resource and reduce CO<sub>2</sub> emissions.

### Precision solutions for saving water

Metrology is the foundation of our solutions and services – and a key source of sustainability for our customers. By developing extremely accurate products and supporting customers with our metrological know-how, we help them ensure fair billing for consumers and enable them to detect even the smallest leakages in their network so they can prevent water loss.

We design meters with an extremely high dynamic range, ensuring every drop of water counts. Thanks to certification in line with the European Measuring Instruments Directive (MID), our customers and consumers can rely on the same high levels of quality all over the world.

### ACHIEVEMENTS & ACTIONS

### Digital transparency

Saving resources in a heat or water network requires a thorough understanding of what's going on. Our IZAR@NET software solution offers utilities a clear picture of their network. Using meter data, it sends out alerts if units are dysfunctional or when an anomaly is detected. The result is significant heat and water savings, as well as automated billing to eliminate human error.

Our fixed network offer enables customers to automate meter reading, thereby eliminating manual reading and the need to use cars and trucks with their associated carbon footprint. Furthermore, the higher granularity of data in fixed networks allows utilities to comply with new requirements to inform consumers about their monthly usage. This, in turn, improves consumers' awareness about consumption and encourages a better use of resources.





## ACHIEVEMENTS & ACTIONS

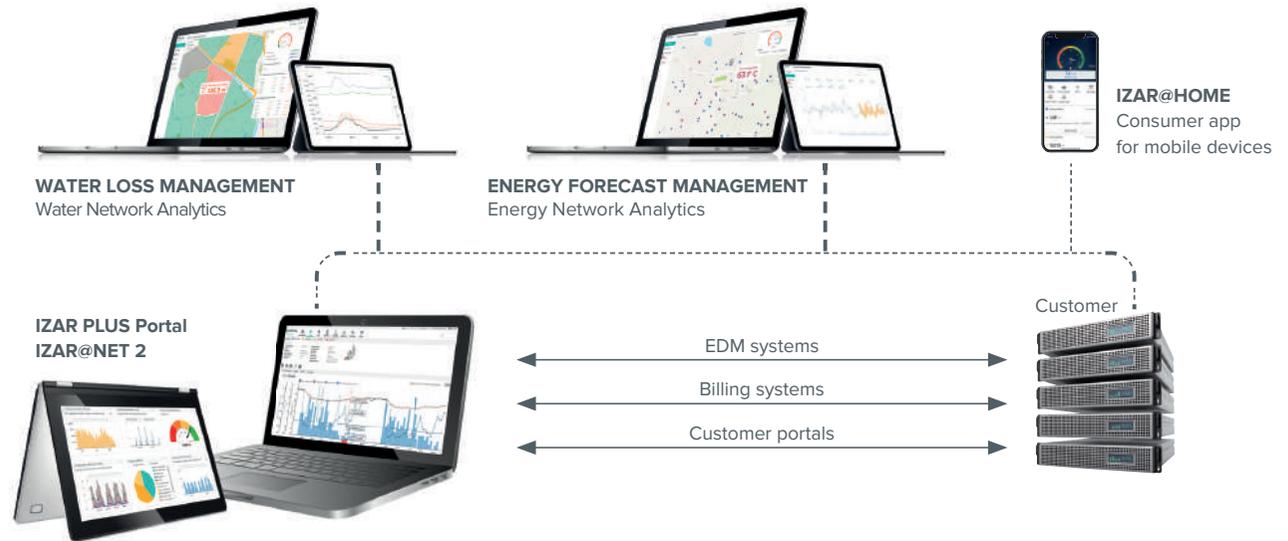
### Energy Network Analytics: smarter heating and cooling

Much of the heat produced in a heat network never reaches consumers. This means utilities face additional costs, wasted energy, and poor sustainability. But the causes of heat loss are multiple, ranging from aging pipes to inadequate insulation – and identifying the source may not be simple.

With its Energy Forecast Management solution, Diehl Metering empowers utilities to continually monitor flow temperatures at multiple points in their network. This offers them a holistic view of heat distribution and efficiency in their network. Our customers can then use analytics software to set alerts in case of an anomaly, allowing them to locate and address the problem. In Denmark, we helped district heating and water supplier Brønderslev to reduce the average return temperature in its network by 5°C, thus saving significant energy and costs.

### Changing consumer behavior

Our IZAR@Home app provides consumers with data about their own consumption habits. By consulting their smartphone, consumers can see how to improve their behavior to reduce costs and save resources. Furthermore, the app enables leaks to be identified and fixed more quickly. More than 66,000 consumers in Europe are using IZAR@Home.



### Tackling Non-Revenue Water (NRW)

In theory, water is a recyclable and reusable commodity that never gets lost. In practice, Non-Revenue Water (NRW) is a global challenge that results in water being depleted from the network due to factors such as theft, leakages and inaccurate monitoring. It has a huge economic, ecological, and humanitarian impact.

In certain water networks, NRW can be as high as 30 or 40%. This inflicts higher production and maintenance costs on utilities, preventing them from investing in better networks – and accentuating the vicious circle of water loss.

At Diehl Metering, we develop tools to fight NRW and help utilities preserve water. Thanks to our analytics software, data from water meters and sensors is transformed into actionable insights to support sustainability. The solution contributes to saving water, preventing further damage to the network, and reducing operational costs for utilities.

In Portugal, Diehl Metering supported water management company Inframoura to reduce NRW from 15% in 2018 to 7.1% in 2022. And in France, we worked with the city of Chartres to help it save 600,000 m<sup>3</sup> of water in a year.

## PRIORITY PROGRAM MANAGEMENT OF RESOURCES

When eight billion people are sharing limited resources, everyone must take responsibility for the three R's: reducing, reusing and recycling. The Priority Program "Management of resources" is about optimizing the way we use resources and minimizing waste. It concerns all our plants and locations, as well as logistics.

### STRATEGY & GOALS

One of the great challenges of this program is to cater for our inherent need for an energy supply. The program is designed to:

- Reduce our energy consumption
- Optimize site infrastructure and organization (lighting, heating, carpooling, etc.)
- Improve supply chain organization (e.g. CO<sub>2</sub> neutral shipping, etc.).



### Compliance and accreditation

All the initiatives in this Priority Program are aligned with the requirements of ISO 14001 for Environmental Management. In addition, all our production sites and sales offices are certified by the independent body Quality Austria.



### ACHIEVEMENTS & ACTIONS

To activate this Priority Program globally, we are working on an improvement map for different types of energy. We've already started implementing certain actions, including connecting to district heating and introducing wood chip heating. Each plant has responsibility for lowering its electricity, water, gas, and fuel consumption over time. Our indicators show that energy usage was reduced by 7% from 2022 to 2023 in absolute terms.

Our achievements at different sites in 2023 included transitioning to wood chip heating and district heating, switching to LED lighting, electrifying corporate fleets, and implementing new insulation in certain buildings. In Austria, we expect to save 107.819 kWh per year in heating costs thanks to the insulation of our district heating pipes.

We plan to continue with similar initiatives at various sites

in 2024. In addition, we will launch the first lighthouse project for direct deliveries from our production site in Poland to our production site in the USA. Another action focuses on improving the space inside overseas containers by optimizing the organization of pallets and thereby transporting fewer half-empty containers.

### Streamlining logistics

In terms of logistics, our target is to reduce our carbon footprint by optimizing deliveries. Our Direct Delivery project focuses on reducing third party deliveries from our production sites to key customers – and from suppliers to our production plant. The aim is to reduce the overall number of deliveries. Furthermore, we have partnered with a logistics operator in Germany to ensure CO<sub>2</sub>-neutral shipping to the region.

## PRIORITY PROGRAM

# SUSTAINABLE AND ETHICAL GROWTH

We commit to economic development that fulfills the needs of all our stakeholders while sustaining natural resources and the environment for future generations. This Priority Program is about driving progress, creating employment, and improving living conditions. It is our belief that a fair business with a strong sense of social purpose will deliver better and more sustainable outcomes for everyone over the long term.



*Company founders  
Heinrich and Margarete  
Diehl*



**SUSTAINABLE AND ETHICAL GROWTH IS CRUCIAL TO A SUCCESSFUL FUTURE.**

*Dr. Christof Bosbach,  
CEO Diehl Metering*



## STRATEGY & GOALS

### Governance built on integrity

Clean business needs clear rules. Our governance framework ensures effective decision-making and value creation for the benefit of all stakeholders. To provide full transparency, we have committed to reporting on our progress regularly.

All business activities at Diehl Metering are based on the principles of integrity and fairness. As part of the Diehl Group, we act in accordance with the applicable laws and regulations of the countries where our employees work. The General Business Principles of the Diehl Group (Code of Conduct) provide us with specific guidance on how those rules impact our business.

Our roadmap is grounded in the regulations and directives we need to respect. We have integrated the EU Taxonomy regulation within our product development. In line with the EU Directive on Corporate Sustainability Reporting (CSRD), we will publish a report based on ESRS (European Sustainability Reporting Standards) in 2026. In addition, we are specifically working to enhance our Anti-Corruption & Ethics practices.

## ACHIEVEMENTS & ACTIONS

### From rules to application

In daily business, it is not always easy to know if a single action complies with the applicable rules. Laws are complex. And the best code of conduct can't cover every individual question.

To ensure that all our employees have a proper level of guidance and security, Diehl Metering offers regular compliance training (on-site and online). These courses demonstrate how the General Business Principles of the Diehl Group apply to use cases that participants are familiar with. For certain functions, such as Sales and Purchasing, courses include tailored content. In these roles, every detail matters. For example, inviting a person to lunch in a restaurant could raise questions. It's therefore crucial to know what difference it makes if the invitee is employed by a public institution or a private company. And if the same rules apply in China, the Emirates and the USA.

The requirements and frequency of training are based on people's roles. While all employees have mandatory training in Basic Compliance every three years, others must take three additional in-depth courses on an annual basis. In 2023, two new courses were deployed, with 798 employees completing the Basic Compliance course and 809 employees completing the Anti-Corruption course. Two additional courses will be deployed in 2024.





## ACHIEVEMENTS & ACTIONS

### Monitoring and assessing compliance

We want to make it easier for misconduct to be brought to the attention of our management. In addition to using a neutral external ombudsperson, the Diehl Group has deployed an anonymous whistle-blowing system that is open to all employees, as well as external persons observing potential misconduct. Reported activities are reviewed by the Diehl Group's Compliance Committee, which initiates an appropriate response.

Continual monitoring of our business is a key part of our approach to sustainability. We recently improved the way

we assess business relationships for corruption. The number of confirmed cases of corruption remains zero. We also regularly review our business processes to assess if they still comply with the General Business Principles. This is pivotal for identifying compliance issues and investigating potential violations. The Compliance Committee is responsible for developing regulations, enhancing training, and ensuring risk analysis and compliance for audits and investigations.



### Guiding our business with a Code of Conduct

The Diehl Group Code of Conduct applies to all employees at all hierarchical levels, including our executive bodies.

It clearly establishes that unfair or illegal practices are incompatible with our business principles. Our relationships with other companies and between employees and their business partners – e.g. with suppliers and customers and with government offices and their employees – must be characterized by transparency, especially in the areas of Sales and Purchasing. And Diehl Metering must always compete for orders by fair and legal means and carry out contractual negotiations in compliance with all applicable legal provisions.

In addition, our Code of Conduct strictly regulates a wide range of topics. It notably prohibits bribery and corruption, cartels, money laundering, child labor, forced labor and human trafficking. It protects intellectual property, data, human dignity, non-discrimination and freedom of association. It also helps us to manage conflicts of interest and the proper handling of invitations, gifts, and other benefits.



## MEASUREMENT AND METRICS

# ENVIRONMENTAL INDICATORS

Energy (MWh)	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
<b>Total direct energy / fuel consumption</b>	<b>8 264</b>	<b>6 769</b>	<b>1 028</b>	<b>385</b>	<b>0</b>	<b>0</b>	<b>82</b>
Natural gas	6 239	5 022	750	385	0	0	82
Liquid fossil fuels <sup>1</sup>	914	636	278	0	0	0	0
Fuel oil	914	636	278	0	0	0	0
Diesel	0	0	0	0	0	0	0
Petrol	0	0	0	0	0	0	0
Other (e.g. LPG)	0	0	0	0	0	0	0
Self generated energy from renewable sources <sup>2</sup>	1 111	1 111	0	0	0	0	0
Electricity - self generated renewable (PV System, BHKW (Biogas), etc.)	0	0	0	0	0	0	0
Biomass	0	0	0	0	0	0	0
Electricity - self generated non renewable (BHKW (Gas), etc.)	1 111	1 111	0	0	0	0	0
<b>Total indirect energy consumption</b>	<b>15 054</b>	<b>7 953</b>	<b>4 881</b>	<b>1 267</b>	<b>373</b>	<b>330</b>	<b>250</b>
Electricity	14 837	7 953	4 881	1 267	156	330	250
Heat	217	0	0	0	217	0	0
District heat - renewable (e.g. Pellets, Biogas)	87	0	0	0	87	0	0
District heat - non renewable (e.g. Natural gas)	130	0	0	0	130	0	0
Cooling	0	0	0	0	0	0	0
Steam	0	0	0	0	0	0	0
<b>Total sold energy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Electricity	0	0	0	0	0	0	0
Heat	0	0	0	0	0	0	0
Cooling	0	0	0	0	0	0	0
Steam	0	0	0	0	0	0	0
<b>Total energy consumption within the organization<sup>3, 4</sup></b>	<b>23 318</b>	<b>14 722</b>	<b>5 909</b>	<b>1 652</b>	<b>373</b>	<b>330</b>	<b>332</b>

1) Liquid fossil fuels (e.g. light and heavy fuel oil, liquefied petroleum gas (LPG), diesel, biodiesel, petrol and paraffin) - 2) Renewable energy sources can be biofuels as well as self-generated energy from renewable sources (solar, wind...) - 3) Energy consumption outside the organisation is not surveyed; instead, scope 3 emissions are surveyed. Indirectly, energy consumption outside of our organisation is also shown in this way. - 4) Energy demand for products and services is omitted.



## MEASUREMENT AND METRICS

# ENVIRONMENTAL INDICATORS

Water and effluents (m <sup>3</sup> )	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
<b>Water withdrawal</b>	<b>17 939</b>	<b>9 787</b>	<b>3 370</b>	<b>2 577</b>	<b>702</b>	<b>902</b>	<b>601</b>
Surface water (rivers, lakes)	0	0	0	0	0	0	0
Groundwater	0	0	0	0	0	0	0
Seawater	0	0	0	0	0	0	0
Produced water	0	0	0	0	0	0	0
Third-party water	<b>17 939</b>	9 787	3 370	2 577	702	902	601
<b>Water discharge</b>	<b>17 939</b>	<b>9 787</b>	<b>3 370</b>	<b>2 577</b>	<b>702</b>	<b>902</b>	<b>601</b>
Surface water (rivers, lakes)	0	0	0	0	0	0	0
Groundwater	0	0	0	0	0	0	0
Seawater	0	0	0	0	0	0	0
Produced water	0	0	0	0	0	0	0
Third-party water (to the municipal sewage plant)	<b>17 939</b>	9 787	3 370	2 577	702	902	601
<b>Total water consumption (from all areas)<sup>1</sup></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

1) There is no form of water storage with significant waste and process water related impacts.



## MEASUREMENT AND METRICS

# ENVIRONMENTAL INDICATORS

Waste (t)	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
<b>Total weight of waste</b>	<b>1 609</b>	<b>591</b>	<b>384</b>	<b>194</b>	<b>143</b>	<b>9</b>	<b>287</b>
Total weight of hazardous waste	<b>99</b>	<b>73</b>	<b>5</b>	<b>16</b>	<b>0,12</b>	<b>4</b>	<b>0</b>
Total weight of non-hazardous waste	<b>1 511</b>	<b>518</b>	<b>379</b>	<b>178</b>	<b>143</b>	<b>6</b>	<b>287</b>
<b>Total weight of waste diverted from disposal<sup>1</sup></b>	<b>1 182</b>	<b>407</b>	<b>291</b>	<b>162</b>	<b>129</b>	<b>6</b>	<b>188</b>
<b>Total weight of diverted hazardous waste</b>	<b>0,08</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0,08</b>	<b>0,003</b>	<b>0</b>
Preparation for reuse	<b>0</b>	0	0	0	0	0	0
Recycling	<b>0,08</b>	0	0	0	0,08	0	0
Other recovery operations	<b>0,003</b>	0	0	0	0	0,003	0
<b>Total weight of diverted non-hazardous waste</b>	<b>1 182</b>	<b>407</b>	<b>291</b>	<b>162</b>	<b>129</b>	<b>6</b>	<b>188</b>
Preparation for reuse	<b>0</b>	0	0	0	0	0	<b>0</b>
Recycling	<b>1 119</b>	361	291	145	129	6	188
Other recovery operations	<b>63</b>	46	0	16	0	0	0
<b>Total weight of hazardous waste directed to disposal<sup>2</sup></b>	<b>427</b>	<b>184</b>	<b>93</b>	<b>33</b>	<b>14</b>	<b>4</b>	<b>100</b>
<b>Total weight of disposed hazardous waste</b>	<b>98</b>	<b>73</b>	<b>5</b>	<b>16</b>	<b>0,04</b>	<b>4</b>	<b>0</b>
Incineration (with energy recovery)	<b>90</b>	73	0	16	0	0	0
Incineration (without energy recovery)	<b>9</b>	0	5	0	0	4	0
Landfilling	<b>0</b>	0	0	0	0	0	0
Other disposal operations	<b>0,04</b>	0	0	0	0,04	0	0
<b>Total weight of disposed non-hazardous waste</b>	<b>329</b>	<b>111</b>	<b>88</b>	<b>16</b>	<b>14</b>	<b>0</b>	<b>100</b>
Incineration (with energy recovery)	<b>185</b>	66	88	16	14	0	0
Incineration (without energy recovery)	<b>0</b>	0	0	0	0	0	0
Landfilling	<b>144</b>	45	0	0	0	0	100
Other disposal operations	<b>0</b>	0	0	0	0	0	0

1) All waste is generated within the organisation (within physical boundaries or under administrative control) and not off-site.

2) Other processes possible besides incineration and landfilling, such as dumping, open incineration or other processes.



## MEASUREMENT AND METRICS

# ENVIRONMENTAL INDICATORS

Greenhouse gas emissions 2022 (t of CO <sub>2</sub> eq)	Diehl Metering	%	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
<b>Scope 1</b>	<b>1 533</b>	<b>2%</b>	<b>973</b>	<b>227</b>	<b>132</b>	<b>159</b>	<b>19</b>	<b>23</b>
<b>Scope 2</b> location based	<b>4 212</b>	<b>4%</b>	<b>2 807</b>	<b>273</b>	<b>748</b>	<b>87</b>	<b>237</b>	<b>59</b>
<b>Scope 3</b>	<b>96 562</b>	<b>94%</b>	<b>42 989</b>	<b>31 070</b>	<b>11 800</b>	<b>3 947</b>	<b>3 959</b>	<b>2 796</b>
<b>Category 1</b> Purchased goods and services	<b>84 106</b>	<b>87%</b>	<b>39 081</b>	<b>27 582</b>	<b>10 731</b>	<b>3 509</b>	<b>2 214</b>	<b>990</b>
<b>Category 2</b> Capital goods	<b>2 245</b>	<b>2%</b>	<b>659</b>	<b>285</b>	<b>251</b>	<b>4</b>	<b>1 007</b>	<b>39</b>
<b>Category 3</b> Fuel and energy-related activities	<b>1 261</b>	<b>1%</b>	<b>979</b>	<b>127</b>	<b>30</b>	<b>30</b>	<b>73</b>	<b>21</b>
<b>Category 4</b> Upstream transportation and distribution	<b>3 446</b>	<b>4%</b>	<b>155</b>	<b>1 010</b>	<b>201</b>	<b>19</b>	<b>392</b>	<b>1 669</b>
<b>Category 5</b> Waste	<b>75</b>	<b>0%</b>	<b>17</b>	<b>8</b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>44</b>
<b>Category 6</b> Business travel	<b>383</b>	<b>0%</b>	<b>124</b>	<b>58</b>	<b>98</b>	<b>39</b>	<b>42</b>	<b>22</b>
<b>Category 7</b> Employee commuting	<b>2 317</b>	<b>2%</b>	<b>1 068</b>	<b>593</b>	<b>440</b>	<b>39</b>	<b>163</b>	<b>12</b>
<b>Category 9</b> Downstream transportation and distribution	<b>1 751</b>	<b>2%</b>	<b>485</b>	<b>1 138</b>	<b>0</b>	<b>90</b>	<b>38</b>	<b>0</b>
<b>Category 11</b> Use of sold products	<b>903</b>	<b>1%</b>	<b>399</b>	<b>251</b>	<b>11</b>	<b>215</b>	<b>27</b>	<b>0</b>
<b>Category 12</b> End-of-life of sold products	<b>76</b>	<b>0%</b>	<b>21</b>	<b>19</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>



## MEASUREMENT AND METRICS

# SOCIAL INDICATORS

Category	Metrics	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
Characteristics of direct workforce	<b>Total no. of employees*</b>	<b>1 910</b>	<b>928</b>	<b>387</b>	<b>439</b>	<b>56</b>	<b>71</b>	<b>29</b>
	Thereof male employees	<b>1 108</b>	585	246	165	43	47	22
	Male employees in %	<b>58%</b>	63%	64%	38%	77%	66%	76%
	Thereof female employees	<b>802</b>	343	141	274	13	24	7
	Female employees in %	<b>42%</b>	37%	36%	62%	23%	34%	24%
	<b>Permanent employees</b>	<b>1 626</b>	<b>841</b>	<b>344</b>	<b>287</b>	<b>56</b>	<b>70</b>	<b>28</b>
	Thereof male employees	<b>969</b>	531	224	103	43	46	22
	Thereof female employees	<b>657</b>	310	120	184	13	24	6
	<b>Temporary employees</b>	<b>284</b>	<b>87</b>	<b>43</b>	<b>152</b>	<b>0</b>	<b>1</b>	<b>1</b>
	Thereof male employees	<b>139</b>	54	22	62	0	1	0
	Thereof female employees	<b>145</b>	33	21	90	0	0	1
	Age <30	<b>318</b>	114	84	98	11	6	5
	Age 30-50	<b>1 050</b>	460	222	266	25	62	15
	Age >50	<b>539</b>	354	81	73	19	3	9
	<b>Total no. of contract workers</b>	<b>160</b>	<b>90</b>	<b>17</b>	<b>24</b>	<b>1</b>	<b>1</b>	<b>27</b>

\*Total no. of employees as at 31.12.2023 includes all employees who have a contract with Diehl Metering (active and passive).



## MEASUREMENT AND METRICS

# SOCIAL INDICATORS

Category	Metrics	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
<b>Working Conditions</b>	Total no. of Number of employees entitled to maternity/ paternity leave, parental leave or leave to care for elderly family members	1 910	928	387	439	56	71	29
	No. of employees who took maternity / paternity leave, parental leave or took time off to take care for elder family members	166	77	21	49	4	15	0
	No. of employees who took maternity / paternity leave, parental leave or took time off to take care for elder family members in %	9%	8%	5%	11%	7%	21%	0%
	Thereof no. male employees	62	30	17	10	0	5	0
	Male employees in %	3%	3%	4%	2%	0%	7%	0%
	Thereof no. of female employees	104	47	4	39	4	10	0
	Female employees in %	5%	5%	1%	9%	7%	14%	0%
<b>Labor Relations</b>	No. of employees covered by bargaining agreement	1 351	908	387	0	56	0	0
	<b>Coverage by bargaining agreement</b>	<b>71%</b>	<b>98%</b>	<b>100%</b>	<b>0%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
	No. of employees working at a site with workers council	1 810	928	387	439	56	0	0
	<b>Coverage employees at sites with workers council</b>	<b>95%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>



## MEASUREMENT AND METRICS

# SOCIAL INDICATORS

Category	Metrics	Diehl Metering	Diehl Metering GmbH, Germany	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering GesmbH, Austria	Diehl Metering Ltd, China	Diehl Metering LLC, USA
Diversity, Equity & Inclusion	No. of employees with disabilities	64	46	14	3	0	1	0
	Disability Quota	3%	5%	4%	1%	0%	1%	0%
	Number of members Division Board	4	No Division Board structure at this level					
	Thereof male members	3						
	Male members Division Board in %	75%						
	Thereof female members	1						
	Female members Division Board in %	25%						

## INDEPENDANT ASSESSMENT

Ecovadis evaluation		Diehl Metering, Corporate	Diehl Metering S.A.S, France	Diehl Metering sp.z.o.o., Poland	Diehl Metering Ltd, China
Scoring	Medal	Bronze	Gold	Silver	Bronze
	Overall score	55	73	67	58
	Environment	70	80	80	60
	Labor & human rights	50	70	60	60
	Ethics	50	70	60	60
	Sustainable procurement	50	70	70	40





## DIEHL METERING FURTHER QUESTIONS?

Diehl Metering remains committed to sustainable development, continually innovating and implementing practices that benefit both the company and the environment.

Interested parties' engagement is crucial to this approach. Transparency and open communication are essential to foster trust and collaboration. If you have any questions or comments, please contact a sales, customer service or communications representative. Information and links are provided below.

Thank you for your support and interest in Diehl Metering's sustainability efforts.

### Diehl Metering Sustainability report 2023

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